CENTRAL INTELLIGENCE AGENCY

Memorandum



# THE SITUATION IN VIETNAM

Information as of 1600 23 March 1966

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ARMY review(s) completed.

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State Dept. review completed

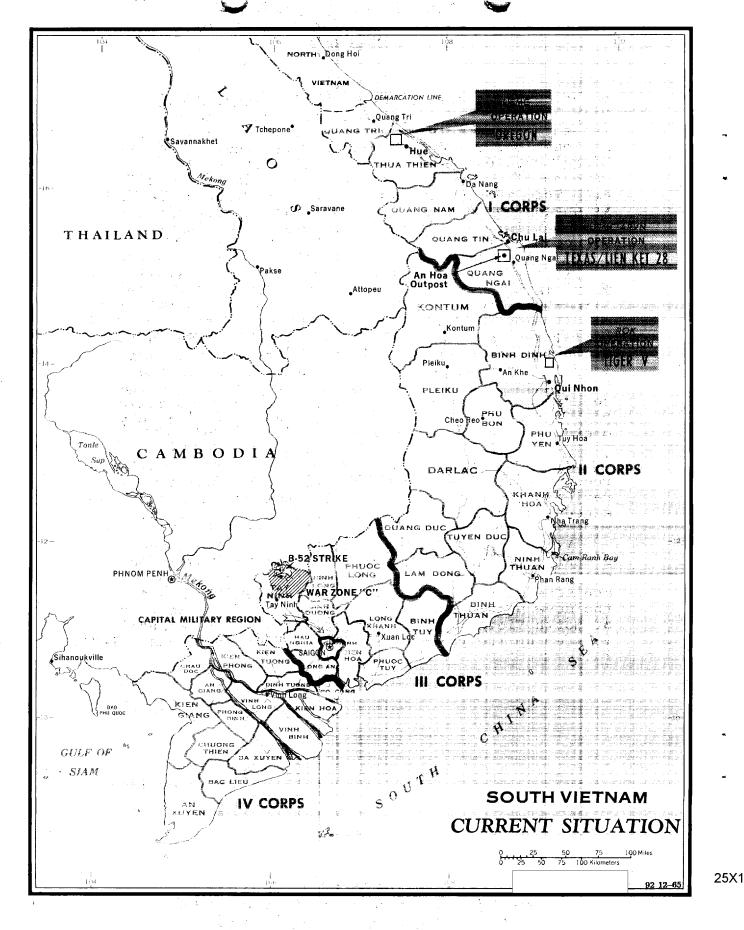
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23 March 1966	
HIGHLIGHTS	
Political unrest continued today in I Corps, particularly in Hue and Da Nang. First direct attacks on the US for supporting the Ky government noted.	
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Hanoi has arranged a sharp step-up in POL imports from the USSR.	25 <b>X</b> 1
I. The Military Situation in South Vietnam: Three USMC and two ARVN battalions are continuing to press their major offensiveOperation TEXAS/ LIEN KET 28against heavily fortified enemy po- sitions in northeast Quang Ngai Province (Para. 1). Operation OREGON has been terminated by two USMC battalions in Thua Thien Province (Para. 2). Four ROK battalions have launched search-and-destroy Operation TIGER V north of Qui Nhon in Binh Dinh Province (Para. 3). USAF B-52 Stratofortresses yesterday attacked a Viet Cong target complex in War Zone "C," Tay Ninh Province, near the Cam- bodian border (Paras. 4-5). Viet Cong forces yesterday launched a light mortar attack against the US airfield at Chu Lai (Para. 6). The opera- tional status of South Vietnam's major highways and coastal railroad has been reported (Paras. 7-8). The Weekly review of South Vietnam battle statistics has been received from MACV (Para. 9).	
Political Developments in South Vietnam: Political agitation continued today in I Corps, including the first direct attacks on the US for supporting the Ky government (Paras. 1-2). The campaign in I Corps bears the earmarks of Buddhist instigation, although Buddhist leaders are report- edly again assuring government leaders that they	
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do not want to create new trouble (Paras. 3-4).
Ky suggested in a speech today that the government does not intend to depart from its present plans to accommodate Buddhist demands (Para. 9).
III. Military Developments in North Vietnam: There is nothing of significance to report.
IV. Other Communist Military Developments:
The 22 Manch conthaughe in China
The 22 March earthquake in China occurred near the main rail line over which supplies pass to the DRV, and some disruption in such supply operations could ensue (Para. 3).
V. Communist Political Developments: Hanoi's recent commentary on negotiating the Vietnam war is reviewed (Paras. 1-3). Anti-Vietnam protests are scheduled to take place soon in Canada (Para. 4).
VI. Other Major Aspects: Hanoi has arranged a sharp step-up in POL imports from the USSR, probably to fuel the growing number of trucks which are scheduled for importation to the DRV this year; the move should probably be viewed as an indication of North Vietnamese determination to continue and
to step up the pace of the war in Vietnam (Paras. 1-3).
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#### I. THE MILITARY SITUATION IN SOUTH VIETNAM

- 1. Three USMC and two ARVN battalions are continuing to press their joint offensive—Operation TEXAS/LIEN KET 28—against strongly fortified enemy positions in northeast Quang Ngai Province, but with only occasional firefights reported during the past 24 hours. The ground sweep, launched on 19 March in reaction to a Viet Cong battalion attack against An Hoa outpost some ten miles south of Chu Lai, has thus far resulted in enemy personnel losses of 258 killed (US body count). Not included in this total are the bodies of recently killed persons—presumably Viet Cong—discovered in 100 graves in the operational sweep area. Allied casualties to date stand at 48 killed (43 US), 135 wounded (109 US), and two ARVN missing.
- 2. Operation OREGON by two USMC battalions 15 miles northwest of Hue, the capital of northern coastal Thua Thien Province, has been terminated after five days. Ninety-nine Viet Cong were killed (US body count) and eight captured, in contrast to US losses of ten killed and 42 wounded.
- 3. Four battalions of the ROK Capital Division yesterday initiated Operation TIGER V, a ten-day search-and-destroy ground sweep in central coastal Binh Dinh Province, 15 miles north of Qui Nhon. Initial contact with Viet Cong/PAVN forces in the operational sweep area has resulted in Communist losses of 26 killed and 20 suspects apprehended, as against Korean casualties of one killed and nine wounded.

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- 4. Fifteen USAF B-52 Stratofortresses yesterday attacked a Viet Cong target complex in War Zone "C"," Tay Ninh Province, approximately 64 miles northwest of Saigon. The strike represented a continuation of the harassment and destruction program against elements of COSVN--the Central Office for South Vietnam which coordinates and directs all Viet Cong activities in South Vietnam. An area in the immediate proximity had been previously attacked by B-52 Stratofortresses on 14 and 15 February 1966 with significant enemy casualties reported.
- 5. Yesterday's strike zone was reported to be an area of trail activity and extensive tunnel networks. One Viet Cong regiment and three separate battalions were sighted in the area in late December 1965. No ground follow-up operations were planned; however, tactical aircraft dropped psywar leaflets in the area immediately following the B-52 bomb run. Preliminary field reports indicate that the leaflet program, in conjunction with B-52 raids, has been "extremely effective," as verified by the return of substantial numbers of Viet Cong and noncombatants to GVN control.

#### Viet Cong Activity

6. Viet Cong forces yesterday shelled the US airfield at Chu Lai with 10-15 rounds of 60-mm. mortar fire. Five US personnel received minor wounds but no damage was reported to aircraft, facilities, or equipment. US security forces have initiated a sweep of the area to locate and destroy the attackers.

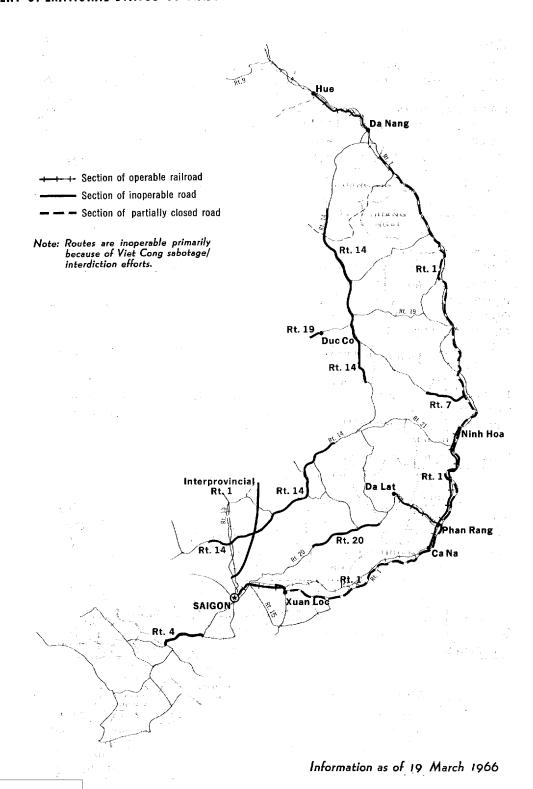
# Operational Status of Major Surface Lines of Communication

7. The operational status of South Vietnam's major highways reflected some degree of improvement during the period 12-19 March, specifically with the opening of Routes 1 and 21 in Quang Tin

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# CURRENT OPERATIONAL STATUS OF MAJOR TRANSPORTATION ROUTES AND COASTAL RAILROAD



and Darlac Provinces, respectively, and Interprovincial Route 2 in Phuoc Tuy Province. However, these limited gains were offset somewhat by the closure of Route 4 in the delta province of Dinh Tuong. The nation's coastal railroad displayed no change in operational capabilty during the reporting period.

As of 19 March, National Route 1 was partially closed in Quang Ngai, Binh Dinh, Phu Yen, Khanh Hoa, Ninh Thuan, Binh Thuan, Binh Tuy, and Long Khanh provinces; Route 14 was closed in Kontum, Pleiku, Quang Duc, Phuoc Long, and Binh Long provinces; Route 19 was closed west of Duc Co, in Pleiku Province; Route 7 was closed in Phu Yen Province; Route 20 was closed in Lam Dong Province; Route 4 was closed in Dinh Tuong Province; and Interprovincial Route 1 was closed in Binh Duong and Phuoc Long Provinces. The coastal railway was operational from Saigon to Xuan Loc (Long Khanh Province); from Ca Na (Ninh Thuan Province) to Ninh Hoa (Khanh Hoa) Province); from Dalat (Tuyen Duc Province) to Phan Rang (Ninh Thuan Province); and from Da Nang to Hue (Thua Thien Province).

### Weekly Review of South Vietnam Battle Statistics

9. This week (12-19 Mar) compared with last week (5-12 Mar).

#### I. VIET CONG INCIDENTS

Time Period	Attacks	Regimental- size	Battalion- size	Company- size	Ter- rorism
5-12 Mar	10	2	1	1	466
12-19 Mar	12	0	4	1	412

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Time Period	Sabotage	Propaganda	Anti- <u>Aircraft</u>	Total Incidents
5-12 Mar	39	21	150	686
12-19 Mar	47	14	265	<b>7</b> 50

### II. CASUALTIES

		PAVN	G7	/N
	5-12 Mar 12-19 Mar		5-12 Mar	12-19 Mar
Killed	1,224	627	$131 \\ 362 \\ \underline{42}$	232
Wounded		- <u>-</u>		373
Missing/Captured	106	59		73
TOTALS	1,330	686	535	678
	US		FREE	WORLD
	5-12 Mar 12-19 Mar		5-12 Mar	12-19 Mar
Killed	36	80	4	8
Wounded	385	816	18	21
Missing/Captured	<u>14</u>	<u>16</u>	0	0

### III. WEAPONS

912

22

435

TOTALS

	VC/PAVN		G,	/N
	5-12 Mar	12-19 Mar	5-12 Mar	12 <b>-</b> 19 Mar
Individual Crew-served	$\frac{214}{10}$	$\frac{426}{30}$	$\frac{137}{2}$	$\frac{262}{3}$
TOTALS	224	456	139	265

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## II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

- l. Political agitation continued today in I Corps at an intensified pace. Attacks on the "rotten regime" in Saigon and on specific government leaders including Premier Ky were repeated on both the Hue and Da Nang radio stations. A largely effective general strike, scheduled to last three days, was in effect in Da Nang and may later be observed in Hue as well. Crowds of students were milling about the city of Hue.
- 2. For the first time since protests began 12 days ago over the ouster of General Thi, today's demonstrations contained overt attacks on the US for backing the Ky regime. Some banners were seen displaying anti-American slogans, and some of the propaganda broadcasts accused the US of delaying the development of parliamentary democracy in order to maintain tight control of South Vietnam. There was, however, some effort to distinguish between the American political and military roles in South Vietnam, with criticism leveled at the former and gratitude still being expressed for US military help against the Viet Cong.
- 3. Although there has been no firm information on the activities of Buddhist monk Tri Quang since his return to the Hue area, the themes being expressed in the current agitation in I Corps are largely in support of the four Buddhist demands with very little reference to the case of ousted commander General Thi. Several of the radio statements stressed arguments privately raised by Tri Quang, who had also warned US officials that an antigovernment campaign could have anti-US overtones, but that this would not be directed at the US military.

4. At the same time,
Tri Quang is still passing assurances
via the sympathetic new 1st Division commander Gen-
eral Nhuan that the Buddhists do not wish to create
trouble in I Corps and do not desire the overthrow
of Premier Ky. Other Buddhist leaders in Saigon reportedly are indicating that, although angered over
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Ky's intemperate weekend attack, they are willing to accept his retraction and do not desire new disturbances. The Buddhists reportedly were offering similar assurances last week, while continuing to press the government for some action on their four principal demands.  5. Whether or not the government is giving credence to these alleged assurances, the US Embassy reports that government leaders are continuing intensive behind-the-scenes talks with key Buddhists in an effort to put a halt to Buddhist-inspired agi-
tation. Although it is possible that a compromise is still being explored, these talks may be in the nature of probing by both sides for indications of disunity on the part of the other.
7. Although there continue to be reports that antigovernment activity will be stepped up in the Saigon area, US Embassy sources claim that there is still only limited support for the Buddhist position in the capital. The bulk of Saigon University students are seeking to avoid involvement, although high-school-age students are felt to be vulnerable to exploitation by agitators. There is also some danger that if a Buddhist campaign gains momentum, Catholics and other religious groups now attempting to remain neutral may react.
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- 8. Although General Thi has remained out of the limelight for the past few days, he has apparently remained in the Hue area residing in a government villa, with no sign of responding to a government order that he return to Saigon. Thi may be awaiting some opportunity to step into the situation should it appear that Ky's position is in jeopardy. The government reportedly is now sending an officer from Saigon to I Corps to "persuade" Thi to return to the capital.
- 9. Ky today addressed the opening session of a conference of provincial administrators in Saigon, primarily on the subject of local administration and rural construction. He made a point of stating that the government recognizes "democracy building" as one of its main duties, and would carry out its plan as announced at the second Armed Forces Congress early this year. His remarks suggest no intention to budge from the government's present plans or timetable in order to accommodate Buddhist demands for a faster transition to civilian rule.

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	III.	MILITARY	DEVELOPM	ENTS IN NO	RTH VIETI	NAM
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	IV. OTHER COMMUNIST MILITARY DEVELOPMENTS	
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he C	China Earthquake	
cente Pekin names nese Trom Tietn ine viat	3. The very intense 22 March earthquake that ered at Hsing Tai about 125 miles southwest of ag in China on 22 March may complicate the Vietse supply problem. The main north-south China rail line, used for the transport of material North China, the USSR and Eastern Europe to mam, passes directly through Hsing Tai. This carries Vietnamese supplies of jet fuel and tion gas, weapons—such as the SAM units and raft delivered by the USSR, and ammunition and riety of civilian goods.	
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#### V. COMMUNIST POLITICAL DEVELOPMENTS

- 1. North Vietnamese comment on negotiations has been largely muted over the past month, but when the matter was discussed a continuing intransigent stand was taken. In its most recent declaration on negotiations, in the form of a blast at Yugoslav President Tito on 21 March, Hanoi's party daily charged that Tito was trying to sell the "peaceful negotiations swindle" of the US "imperialists." The attack on Tito was provoked by Western press reports that Yugoslav Premier Stambolic was touring a number of Asian countries in an effort to persuade these countries to call for negotiations on the Vietnam problem.
- 2. The dearth of North Vietnamese public statements on the subject of negotiations reflects in part the absence of any "peace initiative" by other world leaders. Almost without exception, Hanoi's major policy pronouncements on negotiations have come as responses to the initiatives of others—either the US or neutrals attempting a mediation role. Hanoi's castigations of the US "peace offensive" of last December and January have apparently convinced most would—be mediators that the prospects of starting negotiations at the present are not auspicious.
- In its domestic party press, Hanoi is continuing to stress the inevitability of ultimate victory over the US and South Vietnam. Alleged victories by Viet Cong forces over US troops are cited in North Vietnamese propaganda as proof that final victory is certain. The lack of commentary on negotiations, together with the continuing propaganda emphasis on Viet Cong military power, conveys the impression that the Hanoi leadership still believes that the US/ARVN military position in South Vietnam is not strong enough to prevent eventual Communist victory in the If, as USMACV anticipates, the Communists are gearing up for a big military push in the next several months, Hanoi may well want to see the results of the Viet Cong effort before any re-evaluation of its terms for a political settlement of the war.

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Protests in Canada

Protest meetings against US policy in Vietnam are scheduled in major Canadian cities on 26 March. The demonstrations are being organized by a coordinating committee of left-wing peace groups including trade union and university representatives who have sponsored other demonstrations of this sort before. While demonstrations will take place in Vancouver, Victoria, Edmonton, Regina, Winnipeg, and Toronto, the protest organizers are directing their main efforts at the rally in Ottawa. The US Embassy expects that US consulates throughout Canada as well as the embassy building in Ottawa may be the scene of left-wing demonstrations.

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VI. OTHER MAJOR ASPECTS	
1. North Vietnam has just arranged a sharp increase in imports of petroleum productsmainly gasoline and diesel fuel.	25X1
2. This step-up in DRV petroleum imports from the USSR probably reflects recent imports of more and larger trucks as well as more truck traffic in the DRV and Laos.	25X1
and haos.	23/1
3. Viewed in this perspective, the increased POL imports should probably be regarded as another strong indication of North Vietnamese resolve to continue and step up the war effort in Vietnam.	
Imports of Combat-related Pharmaceuticals by North Vietnam	
4. A survey of North Vietnam's trade in selected combat-related pharmaceuticals indicates a continued over-all high level of imports this year. In the field of antibiotics there appears to have been a sharp cutback in imports of penicillin (from 2,564 Billion International Units (BIU) in 1965 to only 11 BIU thus far in 1966) but an apparent rise in imports of streptomycin. Negotiations and shipments to date of the latter drug amount to 5.1 million vials compared with 3.1 million vials in all of 1965.	
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5. Sulfa imports so far in 1966 (13 tons) are running somewhat behind last year's level, but if negotiations with the USSR are completed for 65 tons, there is likelihood that total imports by the end of 1966 will approximate the 106 tons received in 1965. There has been a reduction in imports of blood plasma from Japan (the major supplier) but this appears to have been more than compensated for by the importation of plasma substitutes such as "dextran." Actual imports of plasma and plasma substitutes so far in 1966 amount to about 20,000 "sets" as compared with a total of about 45,000 sets in 1965.

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